

EXHIBIT B

HAND DELIVERED

OCT 19 2006

DORSEY & WHITNEY L.L.P.
ANCHORAGE
at 2:56 PM



October 19, 2006

TelAlaska, Inc
d/b/a Interior Telephone Company, Inc.
201 E. 56th Ave
Anchorage AK 99518

Re: Interconnection for Local Services

DOCKETED

Dear Donna:

This correspondence is a request that Interior Telephone Company, Inc. ("ITC") begin good faith negotiations towards voluntary agreement for interconnection and services necessary for GCI Communications Corp. d/b/a General Communication, Inc. and GCI, ("GCI") to provide local telecommunications services in the ITC study area. This letter is a bona fide request for such interconnection, services and good faith negotiations under the terms of the Telecommunications Act of 1996 ("the Act"), including Section 251(c)(1) thereof. This request is intended to trigger a rural exemption inquiry under Section 251(f)(1) for the limited and partial termination of ITC's exemption with respect to the duty to negotiate in good faith under Section 251(c)(1). GCI hopes however that ITC will waive ITC's rural exemption as to the obligation to negotiate in good faith under Sec. 251(c)(1) and immediately engage in interconnection and services negotiations under 251 (a) and 251 (b).

As you are aware, GCI has approached ITC to negotiate basic interconnection under Subsection 251(a) of the Act, as well as to make arrangements for such things as resale at retail, reciprocal compensation, number portability and dialing parity under Subsection 251(b) of the Act, to allow for GCI's competitive entry. These services implicate the need for agreement on many process issues, including how to process orders between the companies. GCI had previously offered to enter into voluntary and confidential "commercial discussions" regarding the availability of additional services and elements but this has not taken place. Accordingly, GCI is filing this bona fide request to replace any previous request(s), and specifically withdraws any request for further commercial discussions about additional elements or services. This request also reinitiates the request for number portability, and necessary discussions, in the Cold Bay, Cooper Landing, Fort Yukon, Galena, Iliamna/Newhalen, King Cove, Moose Pass, Port Lions, Sand Point, Seward and Unalaska/Dutch Harbor wire centers pursuant to 47 CFR 52.23.

INTERCONNECTION

ITC must provide interconnection of GCI's facilities and equipment to ITC's facilities and equipment for the routing of telephone exchange traffic and/or exchange access traffic under Section 251(a) of the Act, with implementing regulation at 47 CFR 51.100. GCI requests direct interconnection at ITC's Cold Bay, Cooper Landing, Fort Yukon, Galena, Iliamna/Newhalen, King Cove, Moose Pass, Port Lions, Sand Point, Seward and Unalaska/Dutch Harbor wire centers.

RESALE INTERCONNECTION TERMS

ITC must offer for resale by GCI all telecommunications services at the same retail rates that it provides to such services to others under section 251(b) of the Act and implementing regulations contained at 47 CFR 51.601 *et seq.*

Resale accomplished through seamless utilization of ITC's network requires interconnection only to allow ordering, billing and collection of the services and for routing 411 and cell calls. This billing information must be the same as or better than the information ITC provides to itself or to its retail subscribers. This request includes access to, and pricing for, training materials and resources necessary to operate and maintain billing information transparently and consistently.

NUMBER PORTABILITY/DIALING PARITY

Under Section 251(b) of the Act and implementing regulations contained at 47 CFR 51.203 *et seq.*, ITC must provide number portability to subscribers and dialing parity to GCI. GCI requests number portability and dialing parity at the Cold Bay, Cooper Landing, Fort Yukon, Galena, Iliamna/Newhalen, King Cove, Moose Pass, Port Lions, Sand Point, Seward and Unalaska/Dutch Harbor wire centers pursuant to 47 CFR 52.23. GCI requests that local number portability be provided using the Local Routing Number (LRN) method, although GCI is receptive to discussions of alternate methods of provisioning on an interim basis, or deferring number portability in certain locations. ITC must also support dialing plans and access to all local services for GCI local customers identical to that provided to ITC local customers. This shall be interpreted to include, but not be limited to, access to all local and other Service Access Codes, and local and long distance NPA's and NXX's.

RIGHTS OF WAY

ITC must also provide access to its rights-of-way, ducts, conduits, poles, utilidors/walks, etc. under Section 251(b) of the Act. In order to finalize facilities

plans, GCI must be provided with adequate information regarding the placement and fill as to these facilities, especially as they relate to the interconnection points referenced above.

RECIPROCAL COMPENSATION


ITC and GCI must negotiate and establish reciprocal compensation arrangements for the transport and termination of the telecommunication traffic between the networks under Section 251(b) of the Act and implementing regulations contained at 47 CFR 51.701 *et seq.* This reciprocal compensation arrangement must be just and reasonable, such that the terms and conditions provide for the mutual and reciprocal recovery by each of costs associated with the transport and termination on the respective facilities of calls originating on the facilities of the other. The terms and conditions must be based upon a reasonable approximation of the additional costs of terminating such calls. GCI proposes that this reciprocal recovery be provided by a "bill-and-keep" arrangement.

As suggested above, it is GCI's hope that ITC will waive its rural exemption to the extent of negotiating with GCI in good faith, under the provisions of Section 251(c)(1) of the 1996 Act. If ITC does not, in order to facilitate GCI's ability to shoulder its burden of proof in the rural exemption inquiry by the RCA as to the termination of Interior's exemption with respect to this obligation, GCI is entitled to ITC's active participation in assisting GCI to obtain, analyze and organize certain administrative and cost data related to any burdens or claims of technical infeasibility that Interior claims would arise from being subjected to the duty to negotiate in good faith under Section 251(c)(1). This required level of participation by ITC, due chiefly to the extremely compressed timeline contained in Section 251(f)(1)(B) of the Act, is discussed in the decision in *ACS of Alaska, Inc. et al. v. Regulatory Comm'n of Alaska, et al.*, 81 P.3d 292, 299 (Alaska 2003), a copy of which is attached. As an aid in this process, a copy of our initial Discovery Requests to ITC, in the anticipated RCA proceeding is attached to enable ITC's timely response. Please respond within thirty (30) days of the service of this request.

Finally, in order to facilitate our ability to negotiate and achieve interconnection, GCI needs further technical information about ITC's network facilities. We also need any additional cost data (including general customer and facility location data) that will be relevant to the arbitration under the terms of Section 252 of the Act in order to finalize interconnection issues and negotiate rates for interconnection and administrative services. A meeting at the start of negotiations could identify and define this information, and identify the company representatives with authority to make binding representations.

We wish to avoid iterative administrative proceedings and thus hope that Interior will provide a limited waiver of its rural exemption and will begin to negotiate immediately in good faith under Section 251(c)(1). We look forward to your prompt response.

GCI COMMUNICATIONS CORP.
d/b/a GENERAL COMMUNICATION, INC.
d/b/a GCI

A handwritten signature in black ink, appearing to read "Dana L. Tindall", written over the printed name.

Dana L. Tindall
Senior Vice President
Legal Regulatory & Governmental Affairs

Enclosure

Cc: Kate Giard, Chair
Regulatory Commission of Alaska

Heather Grahame
Dorsey & Whitney

Rob Royce
Assistant Attorney General

GCI Communication Corp.
2550 Denali Street, Suite 1000
Anchorage, AK 99503
(907) 265-5600

STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:

Kate Giard, Chair
Dave Harbour
Mark K. Johnson
Anthony A. Price
Janis W. Wilson

In the Matter of the Request by GCI)
COMMUNICATION CORP. d/b/a GENERAL)
COMMUNICATION, INC., and d/b/a GCI for the)
Partial Termination of the Rural Exemption of)
TELALASKA d/b/a INTERIOR TELEPHONE) U-06-
COMPANY, INC. d/b/a ITC under 47 U.S.C. §§)
251 and 252 for the Purpose of Instituting Local)
Exchange Competition)

FIRST DISCOVERY REQUESTS TO ITC

The undersigned on behalf of GCI Communication Corp. d/b/a General
Communication, Inc. and d/b/a GCI ("GCI") and pursuant to Civil Rules 26, 33,
34 and 36 propounds the following discovery requests to INTERIOR
TELEPHONE COMPANY ("ITC"). Importantly, GCI wishes to remind ITC of
the Alaska Supreme Court's admonition that concerns about requiring the CLEC
to shoulder the burden of proof in a rural exemption inquiry must be relieved
through the RCA's control of the discovery process such as requiring the ILEC's
"active participation in assisting GCI to analyze and organize the information,
including ordering [the ILEC] to produce summaries of information and provide

1 analyses to accompany documents it produces."¹ GCI has fashioned the discovery
2 requests below in reliance on the Alaska Supreme Court's belief that full
3 discovery (such as analysis and summaries of information) can be obtained from
4 ITC.
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6 To avoid any delays or discovery disputes in this case, the undersigned
7 urges ITC to contact the undersigned expeditiously in the event there is any
8 question or confusion about a particular discovery request and what information
9 GCI needs. Both parties must strive to work out any disputes and clear any
10 confusion expeditiously. The statutory timeline in this proceeding under 47 U.S.C.
11 251(f)(1)(B) simply does not allow for rounds of discovery and the typical
12 gamesmanship associated with the discovery process.
13

14 **PROCEDURES AND DEFINITIONS**
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16 A. Place your answers in the space provided following each discovery
17 request, or use additional pages if necessary. Each discovery request must be
18 answered separately and in the fullest detail possible, under oath.
19

20 B. Each discovery request calls not only for ITC's knowledge, but also for
21 all information that is available to it by reasonable inquiry and due diligence.
22

23 Provide all information, including hearsay, which available to you.
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25 ¹ *ACS of Alaska, Inc., et al. v. Regulatory Comm'n of Alaska, et al.*, 81 F.3d 292, Supreme Court No. S-
26 10466, (Alaska, 2003) ("Remand Order") at 16.

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2 C. If any discovery request is objected to, the reason for the objection must
3 be stated. If the objection is made to part of the discovery request, the part
4 objected to must be specified.

5 D. Unless stated otherwise, the following definitions apply to terms used in
6 these discovery requests:

7 1. "Document" is to be construed in its broadest sense and shall
8 include the original, all non-identical copies, and any drafts of any and all
9 writings, electronic, mail and other forms of electronic communication,
10 memoranda, notes, calendars, diaries, data compilation, recordings and all other
11 forms of information recordation, storage, whether in traditional documentary
12 form, on audio or video tapes, in computerized form (whether hard drive, diskette,
13 tape or otherwise and, if in computerized form, including all codes, programs and
14 other information necessary or useful to retrieve and examine such information),
15 written or produced by hand or otherwise, and including all other forms of tangible
16 and demonstrative evidence.

17 2. "Person" means any natural person, company, corporation,
18 partnership, and includes any present or former officers, directors, employees,
19 agents, representatives or others acting on behalf of such person.
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DISCOVERY REQUESTS

INTERROGATORY NO. 1: Does ITC claim that negotiating with GCI pursuant to Section 251(c)(1)² of the Communications Act, for interconnection and the services requested in the request for interconnection transmitted herewith, will be "technically infeasible" as that term is used in Section 251(f)(1)(A)³ of the Communications Act? If the answer is yes, please explain in full detail how and why such negotiations with GCI are technically infeasible, and please identify all instances of technical infeasibility to support the claim.

ANSWER:

REQUEST FOR PRODUCTION NO. 1: Please produce any and all documents supporting your answer to Interrogatory No. 1.

ANSWER:

² 47 U.S.C. § 251(c)(1).

³ 47 U.S.C. § 251(f)(1)(A).

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2 **INTERROGATORY NO. 2:** Does ITC claim that negotiating with GCI
3 pursuant to Section 251(c)(1) of the Communications Act for interconnection and
4 the services requested in the request for interconnection transmitted herewith will
5 be "unduly economically burdensome" as that term is used in Section
6 251(f)(1)(A)⁴ of the Communications Act. If the answer is yes, please explain
7 ITC's interpretation of the term "unduly economically burdensome," and explain
8 in detail what undue economic harm will occur, the basis for this alleged harm,
9 and include specific factual and quantitative analysis to identify and support the
10 alleged undue economic burdens it claims will occur in the future.

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12 **ANSWER:**
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16 **REQUEST FOR PRODUCTION NO. 2:** Please produce any and all
17 documents supporting your answer to Interrogatory No. 2.

18 **ANSWER:**
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22 **INTERROGATORY NO. 3:** Does ITC claim that negotiations with GCI
23 pursuant to Section 251(c)(1) of the Communications Act for interconnection and
24 the services requested in the request for interconnection transmitted herewith will
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26 ⁴ 47 U.S.C. § 251(f)(1)(A).

1
2 be inconsistent with universal service as that term and criterion applies in Section
3 251(f)(1)(A)? If the answer is yes, please explain ITC's interpretation of the
4 universal service criterion in Section 251(f)(1)(A), and the basis and analysis to
5 support the claim that GCI's competitive entry on such basis will be inconsistent
6 with universal service?
7

8 **ANSWER:**
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11 **REQUEST FOR PRODUCTION NO. 3:** Please produce all documents
12 supporting your answer to Interrogatory No. 3.
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14 **ANSWER:**
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17 **INTERROGATORY NO. 4:** If your answer to Interrogatory No. 3, above, is
18 anything other than an unqualified no, please include an explanation of how much
19 universal service funding ITC has received in 2003, 2004, and, 2005 for its
20 operations?
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22 **ANSWER:**
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2 **REQUEST FOR PRODUCTION NO. 4:** Please produce all documents
3 supporting your answer to Interrogatory No. 4., including the forms and
4 underlying data ITC submitted in 2003, 2004, and 2005 to NECA, USAC and the
5 FCC, to obtain universal service support both at the state and federal levels for its
6 operations, and any responses from the state and FCC thereto. The information
7 should include, but not be limited to, the items listed on the USAC "Filing
8 Requirements and Deadlines Tool" found at
9 <http://www.universalservice.org/hc/tools/filing-tool/>
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11 **ANSWER:**
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18 **INTERROGATORY NO. 5:** If your answer to Interrogatory No. 3, above, is
19 anything other than an unqualified no, please provide an explanation of the
20 amount of access charge payments ITC has received in 2003, 2004, and, 2005 for
21 its operations?
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23 **ANSWER:**
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GCI Communication Corp.
2550 Denali Street, Suite 1000
Anchorage, AK 99503
(907) 265-5600

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REQUEST FOR PRODUCTION NO. 5: Please produce all documents supporting your answer to Interrogatory No. 5, including the forms and underlying cost studies ITC submitted to AECA and NECA to collect access charges at both the intrastate and interstate levels in 2003, 2004, and 2005 for its operations.

ANSWER:

Dated October 19, 2006 at Anchorage, Alaska.

Respectfully submitted,

GCI COMMUNICATION CORP.

By: 

Mark R. Moderow
Corporate Counsel
Alaska Bar No. 7510080